

SECRET SPOKE
NOFORN/NOCONTRACT/ORCON

21 November 1979

MEMORANDUM

SUBJECT: Palestinian Involvement in US-Iranian Dispute

Fatah officials are continuing discreet efforts to persuade the Iranians to free the American hostages. Public statements by Yasir Arafat and his colleagues denying a "mediation" role and stressing PLO support for Iran are designed to ensure Fatah's continued access to Iranian officials and to prevent the students holding the hostages from misinterpreting Fatah's motives. (S NF/OC)

Fatah officials are aware that the situation in Iran is extremely sensitive and volatile. They realize that any effort on behalf of freeing the hostages risks being interpreted by Khomeini--and more particularly, by the students--as an implied rebuke of Iranian actions. They therefore are over-compensating to some extent by adopting a public posture stressing the PLO's pro-Iranian and anti-US stance. (S)

Arafat has in the past discreetly supported actions that were at the same time being criticized by PLO spokesmen. He is thus able to reap the benefits if the endeavor is successful and to cut his losses if it fails. Arafat must also take into account PLO and Arab opposition to his intercession in the US-Iranian dispute. Radical PLO groups and Syria have criticized his actions, and his "anti-imperialist" pronouncements are designed in part to maintain his own revolutionary credentials. (S)

Arafat undertook his initiative mainly in the hope of improving Fatah's image in the US. He also wants to be careful not to strain unduly relations with Iran. Most of the apparent contradictions in Arafat's recent actions reflect his attempt to balance these conflicting pressures. He almost certainly cares little for the moral or legal issues raised by the embassy's seizure. (SS NF/NC/OC)

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The Palestinians made some serious miscalculations in their initial efforts to obtain the release of the hostages, when Arafat with much fanfare dispatched a delegation to Tehran during the first week of the embassy's seizure. Much of what they have done since reflects their efforts to extricate themselves from these mistakes, while still attempting to play a constructive role. The resignation of the Barzagan government just prior to the arrival of the Fatah delegation in Tehran further confused the situation. (S)

The Fatah representatives were thus unprepared for the reaction they received in Iran. According to a PLO official, Saad Sayil (Abu Walid)--the delegation's leader--was "extremely offended and disappointed" by the cool treatment he received at the hands of the Revolutionary Council. The Palestinians nonetheless tried for several days to get the Iranians to be more conciliatory regarding the hostages. (S NF/NC/OC)

25X1D The Iranians' rebuff caused Arafat to rethink his strategy. His basic decision was to turn to more discreet methods for continuing Fatah's efforts to secure the hostages' release, while churning out public statements supporting Iran and condemning the US. Fatah has still refrained from explicitly approving the embassy's seizure. (S)



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